Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Agriculture & Natural Resources Committee

HB 1270

Brief Description: Increasing salmon populations in Washington through the implementation of a new fish hatchery management structure that is modeled on the proven, successful structure utilized by the state of Alaska for the past forty years.

Sponsors: Representatives Buys, Blake and Haler.

Brief Summary of Bill

Creates a new fish hatchery management program in which the Washington
Department of Fish and Wildlife must permit at least three private nonprofit qualified
regional aquaculture associations to operate salmon hatcheries that are designed to
supplement the natural production of salmon in the state by increasing salmon stocks
and limiting fishing opportunities in hatchery-affected areas to participating
stakeholders.

Hearing Date: 1/27/15

Staff: Peter Clodfelter (786-7127).

Background:

State Fish Hatcheries.

Fish hatcheries have operated in Washington for more than a century, beginning with one hatchery on the Kalama River in 1895. Currently, the Washington Department of Fish and Wildlife (WDFW) operates hatcheries throughout the state. For state-owned salmon hatcheries in the Hood Canal basin only, the WDFW is required to enter agreements with private sector partners for the continued operation and management of the state-owned hatcheries.

While reviewing applications from private sector partner applicants under the Hood Canal basin program, the WDFW must apply criteria identifying the appropriateness of a potential partner.

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The criteria must attempt to ensure that the partner has a long-range business plan, which may include the sale of hatchery surplus salmon, including eggs and carcasses, to ensure the long-range future solvency of the partnership. Partners must be: (1) qualified under section 501 (c)(3) of the Internal Revenue Code, (2) a for-profit private entity, or (3) a federally recognized tribe.

There are also Regional Fisheries Enhancement Groups, which are local incorporated nonprofit organizations relying primarily on volunteer efforts that seek to enhance salmon resources and develop projects designed to aid the fisheries enhancement capability of the WDFW. The Regional Fisheries Enhancement Groups assist in salmon enhancement efforts but do not operate fisheries.

The Alaska Model.

In the 1970s, the State of Alaska created a program in which it authorized the Alaska Department of Fish and Game to issue permits to private nonprofit salmon hatcheries for the purpose of enhancing salmon stocks in the state. The program's goal is to protect hatchery-raised salmon during the juvenile stage in order to supplement the natural production of salmon and increase overall salmon abundance, while protecting wild stocks. Private nonprofit hatcheries are owned and operated by regional aquaculture associations or independent nonprofits. Currently, there are about 14 such groups operating roughly 30 hatcheries in the State of Alaska.

There are limits on the number of permits issued that allow fishing in each hatchery and individual permits restrict the allowable type of fishing gear.

Summary of Bill:

Introduction to New Salmon Hatchery Program.

A new program is created to increase salmon populations that is modeled on the structure used by the state of Alaska for the past 40 years. The Washington Department of Fish and Wildlife (WDFW) must issue at least three permits to qualified regional aquaculture associations to construct and operate individual salmon hatcheries. Additional salmon hatcheries may be permitted at the WDFW's discretion.

Program Participants.

Qualified regional aquaculture associations are private nonprofit organizations governed by a board of directors who are salmon recovery stakeholders; at least half of the board of directors must represent native American tribes with treaty salmon harvesting rights. A regional aquaculture association seeking to own and operate a hatchery must apply to the WDFW and demonstrate it is qualified. With its application, a qualified regional aquaculture association applicant must include a business plan that includes, at a minimum, information like:

- the sources of proposed capital;
- the approximate cost of each production harvest allocation apportioned amongst the participating harvest groups;
- evidence of an agreement amongst participating harvest groups on how costs are apportioned;
- evidence of an agreement amongst the nontribal participating harvest groups to not compete for grants with tribal organizations; and

• a planned method for resolving inadvertent allocation overharvesting amongst harvest groups based on a system of cash payments.

Each qualified regional aquaculture association must employ or contract with a hatchery manager, who the WDFW has certified.

Restricted Harvest Opportunities in Hatchery-Affected Areas.

Hatchery-affected areas are areas of state waters that the WDFW expects a permitted hatchery will have a significant positive effect on fishing opportunities in. Hatchery-affected areas are delineated by the WDFW during the permitting process.

The WDFW must restrict harvest opportunities in hatchery-affected areas to fishers who are financially participating in the capitalization and operating expenses of the enhanced fishing opportunities provided by the permitted hatchery and the associated qualified regional aquaculture association. Permanent harvest allocations for harvest within a hatchery-affected area, which may include individual harvest quotas, must be agreed to in a written contract between the fishers allowed to operate within a hatchery-affected area.

All nontribal fishers allowed to harvest in a hatchery-affected area must be licensed by the WDFW under Title 77 RCW. Additionally, the WDFW must condition all nontribal fishers operating in a hatchery-affected area with harvest requirements for gear type that encourage the best available technology for environmentally sensitive selective harvesting. Moreover, the WDFW must condition all commercial salmon licenses that allow harvest in a hatchery-affected area as is necessary to implement the program.

Additional Obligations of the WDFW and the Fish and Wildlife Commission.

The Fish and Wildlife Commission is required to adopt rules to implement the program and look to the Alaska model for guidance in doing so. The rules must minimize the interaction between fish produced by permitted hatcheries and any wild stocks in a hatchery-affected area.

The WDFW is required to assist qualified regional aquaculture associations by fulfilling broodstock requests from certified hatchery managers, monitoring broodstock survival rate performance at permitted hatcheries, and replacing broodstock if the existing broodstock demonstrate low survival. The WDFW must also provide surplus eggs to permitted hatcheries, just like the WDFW is currently obligated to do for existing hatcheries in other programs.

Further, the WDFW is required to coordinate with other entities to mark any hatchery chinook and coho salmon from permitted hatcheries prior to their release, just like the WDFW is currently obligated do for existing hatchery programs. Similarly, the WDFW must include information about adult salmon that return to permitted hatcheries in the annual surplus salmon report that the WDFW already prepares to document information about salmon from hatcheries in other programs. Finally, the WDFW must offer to sell or contract the operations of a hatchery to a qualified regional aquaculture association before selling or decommissioning a surplus hatchery owned or managed by the state.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.